

**RESOLUTION NO. 101-12-OB**

**RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF SUNNYVALE APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE PERIOD JANUARY THROUGH JUNE 2013, MAKING RELATED FINDINGS AND DECLARATIONS AND TAKING RELATED ACTIONS**

WHEREAS, the California state legislature enacted Assembly Bill x1 26 (the "Dissolution Act") to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.); and

WHEREAS, on January 10, 2012 the City Council of the City of Sunnyvale (the "City Council") declared that the City of Sunnyvale (the "City"), would act as successor agency (the "Successor Agency") for the dissolved Redevelopment Agency of the City of Sunnyvale (the "Dissolved RDA") effective February 1, 2012, pursuant to Health and Safety Code Section 34173; and

WHEREAS, on February 1, 2012, the RDA was dissolved pursuant to Health and Safety Code Section 34172; and

WHEREAS, the Dissolution Act provides for the appointment of an oversight board (the "Oversight Board") with specific duties to approve certain Successor Agency actions, such as approve the establishment of recognized obligation payment schedules of the Successor Agency and to direct the Successor Agency in certain other actions (pursuant to Health and Safety Code Sections 34080 and 34181); and

WHEREAS, pursuant to AB 1484 ("AB 1484"), enacted June 27, 2012 to amend various provisions of the Dissolution Act, the Successor Agency is now declared to be a separate legal entity from the City; and

WHEREAS, the Successor Agency submitted the Proposed Third ROPS to the Santa Clara County Administrative Officer, the Santa Clara County Auditor-Controller, and the State Department of Finance (pursuant to Health and Safety Code Section 34179.6), and under the Dissolution Act, the Proposed Third ROPS must be submitted to Oversight Board for the Oversight Board's approval.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board hereby finds, resolves, and determines that the foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

BE IT FURTHER RESOLVED that the Oversight Board has examined the items on the Approved Third ROPS and finds that each of them is necessary for the continued maintenance and preservation of property owned by the Successor Agency until disposition in accordance with the Dissolution Act, the continued administration of the ongoing agreements herein

approved by the Oversight Board, or the expeditious wind-down of the affairs of the Dissolved RDA by the Successor Agency.

BE IT FURTHER RESOLVED that the Oversight Board hereby approves the Proposed Third ROPS in the form presented to the Oversight Board and attached hereto as Exhibit A (the “Approved Third ROPS”).

BE IT FURTHER RESOLVED that the Oversight Board must also approve the Administrative Budget for the Successor Agency (Health and Safety Code Section 34177(j).) and that the Oversight Board does hereby approve the Proposed Administrative Budget in the form attached hereto as Exhibit B (the “Administrative Budget”), and further authorizes the Successor Agency to incur costs for the general administrative activities and functions described in the Administrative Budget, provided that the Administrative Cost Allowance to pay such costs shall not exceed the amounts allowed pursuant to Health and Safety Code §34171(b).

BE IT FURTHER RESOLVED that the Oversight Board finds that the Administrative Budget supports a FY 2012-13 Administrative Cost Allowance to the Successor Agency in an amount up to three percent of the property tax allocated or the minimum authorized amount of \$125,000 for the six-month period of January through June 2013.

BE IT FURTHER RESOLVED that the Successor Agency is authorized and directed to enter into any agreements and amendments to agreements necessary to memorialize and implement the agreements and obligations in the Administrative Budget herein approved by the Oversight Board.

BE IT FURTHER RESOLVED that the Oversight Board hereby authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to file, post, mail or otherwise deliver via electronic mail, internet posting, and/or hardcopy, all notices and transmittals necessary or convenient in connection with the approval of the Approved Third ROPS and the approved Administrative Budget, and to take any other administrative actions necessary to ensure the validity of the Third ROPS and the validity of any enforceable obligation approved by the Oversight Board in this Resolution. In addition, the Oversight Board authorizes and directs the Successor Agency staff to make such non-substantive revisions to the Approved Third ROPS as may be necessary to submit the Approved Third ROPS in any modified form required by the Department of Finance, and the Approved Third ROPS as modified shall thereupon constitute the Approved Third ROPS as approved by the Oversight Board pursuant to this Resolution.

This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

Adopted by the Oversight Board of the Successor Agency to the Redevelopment Agency at a regular meeting held on August 29, 2012, by the following vote:

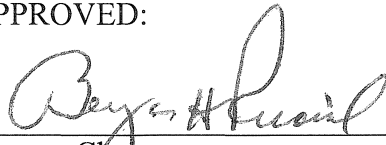
AYES: LEUNG, BRADLEY, MCELROY, PICARD  
NOES: BILICH, SNOW  
ABSTAIN: NONE  
ABSENT: LEZOTTE

ATTEST:

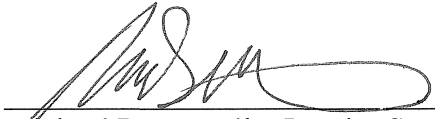
By   
Successor Agency Clerk

[SEAL]

APPROVED:

  
Chair

APPROVED AS TO FORM AND LEGALITY:

  
Michael D. Martello, Interim Successor Agency Attorney

## EXHIBIT A

### Successor Agency Contact Information

|                                   |  |
|-----------------------------------|--|
| Name of Successor Agency:         | <u>Redevelopment Successor Agency of<br/>the City of Sunnyvale</u> |
| County:                           | <u>Santa Clara</u>   |
| Primary Contact Name:             | Brice McQueen  |
| Primary Contact Title:            | Successor Agency Manager   |
| Address                           | 650 W. Olive Ave. Sunnyvale, CA 94088                              |
| Contact Phone Number:             | <u>(408) 730-7284</u>  |
| Contact E-Mail Address:           | <u>bmcqueen@ci.sunnyvale.ca.us</u>                                 |
| Secondary Contact Name:           | <u>Grace K. Leung</u>  |
| Secondary Contact Title:          | <u>Director of Finance</u>   |
| Secondary Contact Phone Number:   | <u>(408) 730-7398</u>  |
| Secondary Contact E-Mail Address: | <u>gleung@ci.sunnyvale.ca.us</u>                                   |

**EXHIBIT A**  
**SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
 Filed for the January 1, 2013 to June 30, 2013 Period

Name of Successor Agency: Redevelopment Successor Agency of the City of Sunnyvale

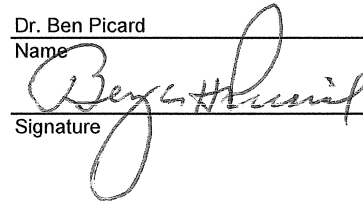
|   | Total Outstanding Debt or Obligation |
|---|--------------------------------------|
| <b>Outstanding Debt or Obligation</b>   | <b>\$ 107,940,637</b>                |
| <b>Current Period Outstanding Debt or Obligation</b>  | <b>Six-Month Total</b>               |
| A Available Revenues Other Than Anticipated RPTTF Funding   | -                                    |
| B Anticipated Enforceable Obligations Funded with RPTTF   | 4,826,000                            |
| C Anticipated Administrative Allowance Funded with RPTTF  | 144,780                              |
| D Total RPTTF Requested (B + C = D)   | 4,970,780                            |
| Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be the same amount as ROPS form six-month total</i>   | <b>\$ 4,970,780</b>                  |
| E Enter Total Six-Month Anticipated RPTTF Funding <i>(Obtain from county auditor-controller)</i>  | 5,155,378                            |
| F Variance (E - D = F) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>   | <b>\$ 184,598</b>                    |
| <b>Prior Period (January 1, 2012 through June 30, 2012) Estimated vs. Actual Payments</b> (as required in HSC section 34186 (a))  |                                      |
| G Enter Estimated Obligations Funded by RPTTF <i>(Should be the lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)</i> | 4,673,603                            |
| H Enter Actual Obligations Paid with RPTTF  | 4,207,647                            |
| I Enter Actual Administrative Expenses Paid with RPTTF  | 66,359                               |
| J Adjustment to Redevelopment Obligation Retirement Fund (G - (H + I) = J)  | 399,597                              |
| <b>K Adjusted RPTTF</b> <i>(The total RPTTF requested shall be adjusted if actual obligations paid with RPTTF are less than the estimated obligation amount.)</i>         | <b>\$ 4,571,183</b>                  |

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177(m) of the Health and Safety code,  
 I hereby certify that the above is a true and accurate Recognized  
 Obligation Payment Schedule for the above named agency.

Dr. Ben Picard

Name

Signature



Oversight Board Chair

Title

Date

8/30/2012

Name of Successor Agency: Redevelopment Successor Agency of the City of Sunnyvale  
 County: Santa Clara

Oversight Board Approval Date: \_\_\_\_\_

**EXHIBIT A  
 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III)  
 January 1, 2013 through June 30, 2013**

| Item #             | Project Name / Debt Obligation  | Contract/Agreement Execution Date   | Contract/Agreement Termination Date                         | Payee  | Description/Project Scope  | Project Area | Total Outstanding Debt or Obligation | Total Due During Fiscal Year 2012-13 | Funding Source |               |                 |                 |              |       |                 |
|--------------------|---|---|---|--|--|--------------|--------------------------------------|--------------------------------------|----------------|---------------|-----------------|-----------------|--------------|-------|-----------------|
|                    |   |   |   |  |  |              |                                      |                                      | LMIHF          | Bond Proceeds | Reserve Balance | Admin Allowance | RPTTF        | Other | Six-Month Total |
| <b>Grand Total</b> |   |   |   |  |  |              | \$ 107,940,637                       | \$ 6,781,113                         | \$ -           | \$ -          | \$ -            | \$ 144,780      | \$ 4,826,000 | \$ -  | \$ 4,970,780    |
| 1                  | 2003 Tax Allocation Refunding Bonds   | Official Statement dated 11/6/2003  | 8/1/2022  | U S Bank   | 1977 Bonds issued to fund redevelopment projects in the Central Core Project area, refunded in 1992 and again in 2003.   | Central Core | 6,625,306.00                         | 606,704.00                           |                |               |                 |                 | 102,396      |       | 102,396         |
| 2                  | 1998 Certificates of Participation (Parking Facility Refunding)                       | Official Statement dated 3/6/1998   | 10/1/2022   | U S Bank   | 1978 Bonds issued to fund redevelopment projects in the Central Core Project area, refunded in 1992 and 1998.  | Central Core | 13,420,836.00                        | 1,206,523.00                         |                |               |                 |                 | 239,564      |       | 239,564         |
| 3                  | Bond Covenants Other Than Principal and Interest Debt Service Payments                | Bond covenants accompanying the Official Statements in Items 1 and 2  | 10/1/2022   | Professional services  | Fees for trustee services, rebate analysis, disclosure consulting.   | Central Core | 47,479.00                            | 6,755.00                             |                |               |                 |                 | 4,730        |       | 4,730           |
| 4                  | Repayment Obligations-1977 Loan Repayment Agreement                                   | First Amended Repayment Contract dated 5/1/1977   | Until paid in full.   | City of Sunnyvale  | Pursuant to the resolution that authorized the issuance of the 1977 Central Core Bonds, the Agency is obligated to use moneys from tax revenue to repay the City, with interest, for all rental payments under the Project Lease and for all other contributions (including transfer of land) which aided in the planning, acquisition, and construction of the Project. | Central Core | 28,210,296.00                        | 2,000,000                            |                |               |                 |                 | 2,000,000    |       | 2,000,000       |
| 5                  | 2010 Amended Disposition and Development and Owner Participation Agreement Article 8  | 2010 ADDOPA executed 8/2/2010   | FY 2025/2026  | Town Center Developer  | Annual payment in consideration for the developer constructing and operating the required public improvements.   | Central Core | 52,894,951.00                        | 2,047,984.00                         |                |               |                 |                 | 2,047,984    |       | 2,047,984       |
| 6                  | 2010 Amended Disposition and Development and Owner Participation Agreement Article 4  | 2010 ADDOPA executed 8/2/2010   | FY 2025/2026  | State Water Resources Control Board, legal fees and environmental work costs | Investigation and remediation of hazardous materials.  | Central Core | 1,808,655.00                         | 543,205.00                           |                |               |                 |                 | 397,572.00   |       | 397,572         |
| 7                  | 2010 Amended Disposition and Development and Owner Participation Agreement Management | 2010 ADDOPA executed 8/2/2010   | FY 2025/2026  | Agency staff and professional services                                       | To monitor and administer rights and obligations under the ADDOPA  | Central Core | 539,816.00                           | 85,162.00                            |                |               |                 |                 | 18,754       |       | 18,754          |
| 8                  | RDA Special Projects  | Outside Counsel Service Agreement dated 5/24/2011 and Financial Advisory Consulting Service Agreement dated 10/7/2011 | Outside Counsel Service 6/30/13, Consulting Service 9/26/13 | Professional services  | Technical and outside legal counsel services   | Central Core | 147,430.00                           | 15,000.00                            |                |               |                 |                 | 15,000       |       | 15,000          |
| 9                  | Administration and operation of Successor Agency                                      | FY 2012/2013  | FY 2012/2013  | Agency staff and professional services                                       | Administrative and legal services; audit fees; General Fund in-lieu payments for treasury and accounting support.  | Central Core | 4,245,868.00                         | 269,780.00                           |                |               |                 | 144,780         |              |       | 144,780         |



**EXHIBIT A**  
**Pursuant to Health and Safety Code section 34186 (a)**  
**PRIOR PERIOD ESTIMATED OBLIGATIONS vs. ACTUAL PAYMENTS**  
**RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS I)**  
**January 1, 2012 through June 30, 2012**

| Page/Form          | Line | Project Name / Debt Obligation   | Payee  | Description/Project Scope  | Project Area | LMIHF    |        | Bond Proceeds |        | Reserve Balance |        | Admin Allowance |           | RPTTF        |              | Other      |            |
|--------------------|------|--|--|--|--------------|----------|--------|---------------|--------|-----------------|--------|-----------------|-----------|--------------|--------------|------------|------------|
|                    |      |  |  |  |              | Estimate | Actual | Estimate      | Actual | Estimate        | Actual | Estimate        | Actual    | Estimate     | Actual       | Estimate   | Actual     |
| <b>Grand Total</b> |      |  |  |  |              | \$ -     | \$ -   | \$ -          | \$ -   | \$ -            | \$ -   | \$ 245,585      | \$ 66,359 | \$ 4,607,244 | \$ 4,207,647 | \$ 109,308 | \$ 109,308 |
| A                  | 1    | 2003 Tax Allocation Refunding Bonds  | US Bank  | 1977 Bonds issued to fund redevelopment projects in the Central Core Project area, refunded in 1992 and again in 2003.   | Central Core |          |        |               |        |                 |        |                 |           |              |              | 109,308.00 | 109,308    |
| A                  | 2    | 1998 Certificates of Participation (Parking Facility Refunding)                      | US Bank  | 1978 Bonds issued to fund redevelopment projects in the Central Core Project area, refunded in 1992 and 1998.  | Central Core |          |        |               |        |                 |        |                 |           | 256,959      | 256,959      |            |            |
| A                  | 3    | Repayment Obligations-1977 Loan Repayment Agreement                                  | City of Sunnyvale  | Pursuant to the resolution that authorized the issuance of the 1977 Central Core Bonds, the Agency is obligated to use moneys from tax revenue to repay the City, with interest, for all rental payments under the Project Lease and for all other contributions (including transfer of land) which aided in the planning, acquisition, and construction of the Project. | Central Core |          |        |               |        |                 |        |                 |           | 3,884,706    | 3,884,706    |            |            |
| A                  | 4    | 2010 Amended Disposition and Development and Owner Participation Agreement Article 4 | State Water Resources Control Board, legal fees and environmental work costs | Investigation and remediation of hazardous materials.  | Central Core |          |        |               |        |                 |        |                 |           | 460,824      | 63,252       |            |            |
| A                  | 5    | Bond Covenants Other Than Principal and Interest Debt Service Payments               | Professional services  | Fees for trustee services, rebate analysis, disclosure consulting.   | Central Core |          |        |               |        |                 |        |                 |           | 4,755        | 2,730        |            |            |
| C                  | 1    | Administration and operation of Successor Agency                                     | Agency staff and professional services                                       | Administrative and legal services; General Fund in lieu payments for treasury and accounting support.  | Central Core |          |        |               |        |                 |        | 202,849         | 66,359    |              |              | -          |            |
| C                  | 2    | RDA Special Projects   | Professional services  | Technical and outside legal counsel services   | Central Core |          |        |               |        |                 |        | 35,573          |           |              |              |            |            |
| C                  | 3    | Bond Covenants Other Than Principal and Interest Debt Service Payments               | Professional services  | Audit fees   |              |          |        |               |        |                 |        | 7,163           |           |              |              |            |            |



**EXHIBIT B  
REDEVELOPMENT SUCCESSOR AGENCY  
CITY OF SUNNYVALE  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE  
THIRD ADMINISTRATIVE BUDGET  
January 1, 2013 – June 30, 2013**

This document constitutes the third Administrative Budget of the Redevelopment Successor Agency of the City of Sunnyvale. This Administrative Budget has been prepared by the Redevelopment Successor Agency (RSA) of the City of Sunnyvale and submitted to the Sunnyvale Oversight Board for approval in accordance with the requirements of Health and Safety Code Section 34177(j). The Administrative Budget accompanies the third Recognized Obligation Payment Schedule (ROPS) prepared pursuant to Health and Safety Code Section 34177(l) for the period January through June 2013.

This Administrative Budget is prepared in three parts to correspond to the three elements described for the Administrative Budget in Health and Safety Code Section 34177(j) (1), (2), and (3).

1. Estimated Amounts For Successor Agency Administrative Cost For January 1, 2013 – June 30, 2013 (Health and Safety Code Section 34177(j)(1).

| Administrative Activities  | Job Classification<br>Services & Expenditures                     | Hours | 6-month<br>Budget |
|--|---|-------|-------------------|
| <b>705320/706250/723125 – Successor Agency Administration</b>      |   |       |                   |
| - Prepare Administrative Budget                                    | Director of Finance   | 200   | \$34,572          |
| - Prepare Recognized Obligation Payment Schedule (ROPS)            | Senior Management Analyst   | 800   | \$82,050          |
| - Correspondence/Coordination with County re: Inquiries/Requests   | Principal Accountant  | 200   | \$18,088          |
| - Correspondence/coordination with State re: Inquiries/Requests    | City Clerk  | 50    | \$5,121           |
| - Oversight of property liquidation                                | Financial Services  |       | \$15,000          |
| Oversight Board Staff Support                                      | Training and Conferences  |       | \$190             |
| - Annual Reporting   | Allocations Charges (Space, IT, Supplies, Administrative Support) |       | \$13,952          |
| - Annual Audit   |   |       |                   |
| - Due Diligence Review   |   |       |                   |
| - Contract Management and Bill Payment                             |   |       |                   |
| <b>750180 – Legal Advice for RSA Issues – ROPS Administration</b>  |   |       |                   |
| - Legal Services Administration                                    | City Attorney   | 200   | \$37,508          |
|  | Allocations Charges (Space, IT, Supplies, Administrative Support) |       | \$3,376           |
| <b>750330 – RSA – ROPS Administration</b>                          |   |       |                   |
| - Contract Legal Services to Assist in Winding Down the Former RDA | Legal Services  |       | \$8,000           |

| Administrative Activities (Continued)   | Job Classification<br>Services & Expenditures | Hours | 6-month<br>Budget |
|---|---|-------|-------------------|
| <b>City Wide Overhead – In Lieu</b>   |   |       |                   |
| - City Overhead Charges (Human Resources, Office of City Manager, Liability & Property Insurance) | City Overhead Charges                         |       | \$13,868          |
| <b>Total Administrative Budget</b>  |   |       | <b>\$231,725</b>  |
| Minimum Administrative Cost Allowance (3% of RPTTF allocated or \$125,000 whichever is greater).  |   |       | \$144,780         |

This Administrative Budget documents that the RSA's "administrative cost allowance", as defined and authorized pursuant to Health and Safety Code Section 24171(b), for Fiscal Year 2012/13 is an amount up to three percent of the property tax allocated or the minimum authorized amount of \$250,000, whichever is greater. As called for in Health and Safety Code Section 34177(k), and as documented in this Administrative Budget and the January – June 2013 ROPS, the Successor Agency will report to the County Auditor-Controller that its administrative cost allowance to be paid from property taxes deposited in the Redevelopment Property Tax Trust Fund (as further described in Part 2 below) pursuant to Health and Safety Code Section 34183(a)(3) is the amount of \$144,780 for this six month period.

Activities may be added, revised, or deleted from this listing as necessary and appropriate during the course of the Redevelopment Agency wind-down process. Costs shown for each activity are estimates only. Actual costs required for each activity may be higher or lower than the amount shown, not to exceed the aggregate total amount.

2. Proposed Source of Payment For Above-Identified Administrative Costs (Health and Safety Code Section 34177(j)(2).

As authorized pursuant to Health and Safety Code Section 34183(a)(3), the proposed source of payment for the administrative costs identified in Part 1 above is the Redevelopment Property Tax Trust Fund established and maintained by the County Auditor-Controller pursuant to Health and Safety Code Section 34170.5(b).

3. Proposals For Arrangements For Administration and Operations Services (Health and Safety Code Section 34177(j)(3).

The RSA has arranged with the City of Sunnyvale to provide the staff services and office materials and equipment to administer the responsibilities of the RSA, and will draw upon services of outside legal and financial consultants (Goldfarb & Lipman LLP and Keyser Marston Associates), to provide special services for the wind-down of the former RDA to the extent City staff lacks the necessary expertise or capacity.